



## **MONTANA STATE HOSPITAL POLICY AND PROCEDURE**

### **OPERATION OF PATIENT DEPOSIT**

**Effective Date:** November 17, 2004

**Policy #:** BS-03

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- I. PURPOSE:** To establish guidelines for the operation of the Patients Accounts Office of Montana State Hospital.
- II. POLICY:** The Patient Accounts Office is the official depository for funds of Patients admitted to Montana State Hospital.
- III. DEFINITIONS:** None
- IV. RESPONSIBILITIES:**
  - A. The Chief Financial Officer is responsible for ensuring procedures for appropriate operations of Patient accounts.
  - B. The Accounting Clerk and Accountant are responsible for all procedures according to policy.
  - C. The Accounting Clerk will be responsible for processing a monthly report, by Unit, and is sent to each Unit Supervisor. This report will detail each Patient's financial status and should be used by the Unit to make decisions relating to a Patient's financial resources. This report should be considered **highly confidential**. It will be the Unit Supervisor's responsibility to insure its confidentiality. Updated balances on an individual Patient may be obtained by contacting Patient Accounts on an as needed basis.
  - D. Admission Staff will receive money and verify with Patient and Business Office Staff or other witness of money received.
- V. PROCEDURE:**
  - A. The following detailed procedures set forth how money is to be deposited and withdrawn from the individual account of the Patient.

B. RECEIPT OF PATIENT FUNDS UPON ADMISSION:

1. Upon the admission of a Patient, the Receptionist/Admission Staff initially receives the funds from the Patient and issues a receipt for the amount received. The receipt is to be signed by the Patient. In the event the Patient cannot or will not sign the receipt, a notation on the receipt as either, "Patient unable to sign," or "Patient refused to sign," followed by dated signatures of **TWO** Staff Members is required. The **original receipt** is retained in the Patient's medical record. The **second copy** will accompany funds to the Receipting Clerk in the Business Office. The **third copy** is given to the Patient. In the event the Patient is not capable of receiving the receipt, it is to be kept with the Patient's other articles retained in the Admission Office. If the admission is classified as an emergency or court ordered detention, the funds will stay in the Admission Office safe for the Patient's next appearance in court. If the admission **is not** during normal Business Office hours, the funds and receipt are put in the drop box at the Front Desk and the Accounting Clerk is notified the **next business day** for retrieval. If the admission **is** during normal hours, the Admission Clerk will put funds and receipt in the drop box at the Front Desk and contact the Accounting Clerk for retrieval. The Accounting Clerk submits the funds and receipts to the Receipting Clerk. The Receipting Clerk then issues a receipt to Medical Records for the funds received. The **original receipt** is given to Medical Records. The **second copy** is delivered to Patient Accounts for appropriate recording within the Patient Account System and is then filed in the Patient's file in Business Office. The Receipting Clerk will deliver the funds along with the **third copy** to the Accounting Clerk who will log the receipt into the receipt book and make the deposit. All checks received by the Receipting Clerk are to be **immediately** stamped "**For Deposit Only**". The Accounting Clerk responsible for deposits will store all funds in the Business Office safe until the deposit is made. Deposits will be made in accordance with Chapter 2-1210.20 Montana Operations Manual, which instructs deposits to be made when the accumulated amount of coin and currency exceeds \$100.00 **or** total collections exceed \$500.00. As a minimum, all monies shall be deposited **at least** weekly.
2. After preparing the deposit slip **and** before the deposit is made, the Accounting Clerk will submit the receipt book and the deposit slip to the Accountant or the Chief Financial Officer for comparison and verification. The reviewing supervisor will initial both the receipt book and the deposit ticket to signify that the amounts are in agreement. The funds are then sent via Teamster to the appropriate banking facility. The Teamster is responsible for immediately returning the bank deposit receipt to the Accounting Clerk. The Accounting Clerk will attach the bank deposit receipt to the appropriate series of receipts and file. If the bank deposit receipt is not returned to the Accounting Clerk the same day that the deposit was given to the Teamster, the Accounting Clerk will report the incident to the Chief Financial Officer and will initialize a search for the funds

and/or bank deposit receipt. Findings are to be reported to the Chief Financial Officer.

C. PATIENT FUNDS RECEIVED ON THE WARDS:

1. Competent Patients are to retain no more than \$30.00 in their custody at any time and Patients on D Wing are to retain no more than \$10.00 in their custody at any time. Exceptions are granted for appropriated authorized special events.
2. Incompetent Patients are not to have funds in their custody.
3. The excess funds are to be deposited in Patient Accounts. When a Staff Member receives Patient funds, the funds must be deposited in the Patient's account and a receipt is to be written for the amount received. If the funds are received from the Patient, the receipt is to be made out to the Patient. If the funds are received from a Third Party, the receipt is to be made out to that Third Party with "For: Patient's Name" the deposit is being made. Funds are not to be given back to the Patient once a receipt has been issued. The **original receipt** is given to the Patient or Third Party. The **yellow copy** along with the funds is given to the Accounting Clerk. The **pink copy** is retained on the Unit. The receipt is to be signed by the Treatment Team Leader or designated representative. The receipt book is kept at the Unit's Nurses Station. If the funds are received during regular business hours, the funds are not to be kept on the Unit and must be deposited as soon as possible, but not later than next business day. If the funds are not received during regular business hours, the funds are to be placed in an envelope with the Patient's name; Patient's number; date; unit and amount indicated on the front. The envelope is then put in the drop box at the Front Desk. The Accounting Clerk is to be notified the next business day for retrieval.
4. Funds are to be delivered to the Receipting Clerk by the Unit Ward Clerk or other designated person. The Receipting Clerk will issue a receipt to the delivering individual indicating on the receipt the Patient to whom it is to be credited. The **original receipt** is given to the person delivering the funds and is to be returned to the Patient. The **second copy** is delivered to Patient Accounts for recording to the Patient's account and filing. The **third copy** and the funds are delivered to the Accounting Clerk. Funds will be deposited in appropriate bank.

D. PATIENT OPERATING ACCOUNT

1. All Patient account balances maintained in the Patient operating account will be reviewed on a monthly basis to determine excess funds in individual accounts. The term "excess funds" is generally interpreted to mean the greater of funds in excess of \$150.00 as established by the Social Security Administration or funds in excess of two (2) months spending allowance. The review will be completed by

the Accounting Clerk on or about the 15<sup>th</sup> of each month. Due to the variability of balances, it will be necessary to assess each balance on an individual basis.

E. AUTHORIZED TREATMENT STAFF SIGNATURES:

1. Each Treatment Unit is required to maintain a list of Staff Members authorized to sign special withdrawal requests as the Treatment Team Member and also on behalf of Patients. This list must be maintained at the Treatment Unit with a copy on file in Patient Accounts. When a change is necessitated on the list, such changes must be forwarded to Patient Accounts.

F. COMPETENCY TO HANDLE FUNDS:

1. Immediately after Patient Accounts receives funds for a newly admitted Patient, the Accounting Clerk will partially complete the Competency to Handle Funds Form (Attachment A) and forward it to the appropriate Unit Supervisor. Within ten (10) days, the form must be completed and returned to Patient Accounts. Until such time as determination of competency to handle funds is made, the Patient is considered incompetent to handle funds and all requests will be handled as noted under incompetent Patients below. Once a competency to handle funds determination has been made, any change should be forwarded to Patient Accounts via a memo signed by the Physician.

G. INCOMPETENT PATIENTS:

1. All withdrawal of funds, irregardless of the reason, for patients judged incompetent to handle funds must be requested on a Request for Approval to Release Funds from Patient Accounts Form (Attachment C) approved, dated, and signed by **two** members of the Patient's Treatment Team and processed as specified. The procedures to follow next are the same as for competent Patients and are outlined in the following section of this policy.

H. REQUEST FOR MONEY TO PAY BILLS OF PATIENTS:

1. When community bills, including medical expenses, follow the Patient to Montana State Hospital, the bills will **NOT** be paid from the Patient's account unless authorization for such payment is given by the Patient and the Unit Team Leader.
2. Authorization for payment is given by completing the Request for Approval to Release Funds from Patient Accounts Form (Attachment C). This form is initiated by the Treatment Unit and forwarded to Patient Accounts where the Current Financial Status Form (Attachment D) is completed and attached to the request.

3. It is then forwarded to the Accountant for a recommendation to approve or not to approve based on the current financial status of the Patient. Upon determination of funds being issued from the Patient's account, the Accounting Clerk processes a check in the amount requested. The check is then attached to the properly authorized documentation and presented to **two** of the authorized signatories for signature.
4. Signatories authorized are the Chief Financial Officer, Accountant, Purchasing Agent, Director of Nursing, and the Director of Health Information. After two signatures are received, the check is properly delivered and the documentation for withdrawal is filed in the Patient's operating file.

I. CANTEEN ORDERS:

1. This procedure pertains to items available at the institution's Canteen for purchases of cigarettes and phone cards for Patients without campus privileges. The order, the original and two copies, is initiated at the Unit and is listed on the Canteen Order Form (Attachment E). List alphabetically by Patient's last name first, including Patient's file number in front of the name, and one Treatment Team Member's signature is required. If the Patient is incompetent, the order must have **two** dated Treatment Team Member's signatures. The order is then sent to Patient Accounts no later than 1:00 p.m. each Tuesday.

Patient Accounts compares the request with the Patient's existing funds to verify money is available and that the Patient has not over-spent his/her authorized spending limit. The order is then sent to the Canteen to be completed. After the order is filled, it is delivered to the Unit via a Teamster. All copies of the order are priced at the Canteen. The **original order** is returned to Patient Accounts to prepare a single check to include all orders for signatures. The signed check is delivered to the Receipting Clerk where a receipt is issued and the funds are included in the Canteen bank deposit. The appropriate amount is then deducted from the individual Patient's account. The **second copy** of the order accompanies the merchandise to the Unit. The **third copy** of the order remains at the Canteen. The orders are checked by Ward Personnel immediately upon receipt. Patient Accounts and the Canteen should be notified of any errors discovered.

J. CANTEEN BOOKS:

1. The order for Canteen Books, the original and one copy, originates on the Treatment Unit by utilizing the Canteen Book Order Form (Attachment E). Canteen Books are available in either \$2.00 or \$5.00 denominations and are used at the Canteen. The order form is completed in alphabetical order with the Patient's last name first proceeded by the Patient's hospital number. The order is then sent to Patient Accounts no later than 8:30 a.m. each Monday morning.

2. Patient Accounts compares the request with the Patient's fund balance to verify money is available for the book denomination requested. The books are then issued and sent to the appropriate Unit for distribution.

**K. CASH WITHDRAWALS:**

1. The request originates on the Ward and is put on a Cash Withdrawal Request Form (Attachment E). List alphabetically with the Patients last name first after the Patient's hospital number. All cash withdrawal requests for the week must be submitted to Patient Accounts by 10:00 a.m. each Monday. Funds will be dispersed according to the following schedule:

Monday at 9:00 a.m.– FTCU and FP

Tuesday at 9:00 a.m. – ITP and GTP

Thursday at 9:00 a.m. – APP, PRU, and TCU

2. Any Patient not on the Cash Withdrawal Request List will not be issued money during the week, unless an emergency or a special circumstance arises. If such conditions exist, the Accountant or Chief Financial Officer should be notified in writing. If it is approved, the Accountant or Chief Financial Officer will respond and forward it to Patient Accounts for withdrawal of funds. If not approved, he/she will respond in writing to the Treatment Team specifying the reason for disapproving. Competent Patients are responsible for picking up their own funds and the Unit Ward Clerks are responsible for picking up the funds for incompetent Patients. The individual receiving the money is required to sign for the receipt of funds. Patients will receive their money at the Patient Accounts Office. Upon receiving his/her funds, the Patient will sign the accompanying Cash Withdrawal Request Form. The listing is returned to Patient Accounts for recording in the Patient's account. A copy of the request is filed in the Patient's file maintained in Patient Accounts.

**L. CATALOG ORDERS:**

1. Orders for merchandise from mail order catalogs are initiated at the Treatment Unit. The completed order is forwarded to Patient Accounts along with Request for Approval to Release Funds from Patient Accounts Form (Attachment C). The request is then routed sequentially to the Reimbursement Trust Officer (if a care and maintenance billing exception is requested); Accountant; Director of Treatment and Rehabilitation; and Patient Accounts. Upon receipt of the approved request, a check is issued in behalf of the Patient and the order sent to the appropriate company. The request is filed in the Patient's file in Patient Accounts.

M. SHOPPING TRIPS:

1. This procedure is to obtain money from Patient Accounts for the Patients participating in an organized shopping trip. A Request for Approval to Release Funds from Patient's Account Form (Attachment C) is completed and submitted at least seven (7) days prior to the date of the shopping trip. If the request is approved, individual checks will be issued to each Patient participating in the shopping trip. The Ward Clerk, or an authorized person from the Unit, can collect the checks from Patient Accounts on the day of the shopping trip. The person collecting the checks must sign an acknowledgement of receipt of the checks. Upon returning from the shopping trip, the accompanying Staff Member and Patient must complete a Patient Shopping Trip Report Form (Attachment F). This form is to be completed and returned to Patient Accounts within one working day of the shopping trip. If any unspent funds are also being returned, the funds should first be presented to the Receipting Clerk who will issue a receipt as previously outlined. The receipt copy for Patient Accounts is to be attached to the report form prior to delivering the form to Patient Accounts. Upon receipt of the form, it will be attached to the Special Withdrawal Request Form authorizing the shopping trip.
2. All items purchased on the shopping trip must be listed along with the purchase price. In addition, a receipt must be attached to the form. The only exceptions to receipts being required are soft drinks and meals costing less than \$2.50.
3. The Staff Member accompanying the Patient on the shopping trip and the Patient must sign the Patient Shopping Trip Report Form. If the Patient is incompetent, the appropriate Unit Supervisor, or designee, must sign the form on the witness line.

N. DISCHARGES OR HOSPITAL LEAVES:

1. This procedure is to be used when a Patient is leaving on an extended home visit, convalescent leave, or final discharge. Patient Accounts is to be notified at least twenty-four (24) hours before the date of departure. This will enable Patient Accounts to determine the amount of money in the Patient's account along with how much care and maintenance is to be held and if the Patient has any outstanding bills. A Special Withdrawal Request Form (Attachment B) is completed. The form is then delivered to Patient Accounts where a check or cash will be issued for the total amount in the Patient's account less any amounts determined from the above noted investigation.
2. Patients being discharged to a rest home or another hospital will be allowed to withdraw \$25.00 cash for miscellaneous expenses and the remainder left in their account will be forwarded to them.

3. If a discharge by any of the above methods is cancelled, Patient Accounts is to be notified **immediately**. A forwarding address on each discharged Patient must be given to Patient Accounts.
4. For Weekend or After Business Hours Discharge: Arrangements will be made as listed above. The Social Worker will pickup the funds from Patient Accounts and Security will be notified to meet the Social Worker at the Front Desk so that the funds can be put in the floor locked box until actual discharge. A log will be kept indicating the Patient's name, who is delivering the funds, who is placing them in the locked box, and the amount. At the actual discharge time, Security will meet a Staff Member from the Unit at the Front Desk to retrieve the funds from the box. Again, the log will be filled out indicating the date, time, Security Officer retrieving funds, the Staff Member receiving the funds, and the amount verified.

O. RESIDENTS RELEASED TO OTHER INSTITUTIONS:

1. This procedure is to be followed when a Patient is transferred to other state institutions. Patient Accounts is to be notified at least twenty-four (24) hours before the date of departure. This will enable Patient Accounts to determine the amount of money in the Patient's account along with how much care and maintenance is to be held and if the Patient has any outstanding bills. A Special Withdrawal Request Form (Attachment B) is to be completed. The form is to be delivered to Patient Accounts where a check will be issued payable to the institution to which the Patient is being transferred. The check will normally be forwarded to the proper institution along with the appropriate medical records. However, under no circumstances will the check be delayed more than two (2) business days after the Patient transfer.

**VI. REFERENCES:** None

**VII. COLLABORATED WITH:** Chief Financial Officer and Director of Nursing Services

**VIII. RESCISSIONS:** #BS-03, *Operation of Patient Deposit* dated May 15, 2001; #BS-03, *Operation of Patient Deposit* dated February 14, 2000; HOPP #12-02P.112177, *Operation of Patient Deposit*, dated December 5, 1988.

**IX. DISTRIBUTION:** All hospital policy manuals.

**X. REVIEW AND REISSUE DATE:** November 2007

**XI. FOLLOW-UP RESPONSIBILITY:** Chief Financial Officer



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Tracey Sweeney Date  
Chief Financial Officer